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Letter dated 1 April 2015 from the Chargé d'affaires a.i. of the Permanent Mission of the Philippines to the United Nations addressed to the President of the Economic and Social Council

I have the honour to transmit herewith the national report of the Philippines on progress towards the achievement of the internationally agreed goals, including the Millennium Development Goals, prepared for the annual ministerial review to be held during the high-level segment of the 2015 session of the Economic and Social Council (see annex).

I should be grateful if you would circulate the present letter and its annex as a document of the Economic and Social Council under agenda item 5 (c).

(*Signed*) Julio C. Dery
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Letter dated 1 April 2015 from the Chargé d'affaires a.i. of the Permanent Mission of the Philippines to the United Nations addressed to the President of the Economic and Social Council

National report of the Philippines on progress towards the achievement of the internationally agreed goals, including the Millennium Development Goals

Summary

The present national report encompasses the accomplishments, challenges, lessons learned and best practices associated with the performance of the Philippines as regards progress towards achieving the Millennium Development Goals, and recommendations based on that performance. The report has been prepared pursuant to consultations with government agencies, academia, research institutions, civil society organizations and the United Nations country team.

This report demonstrates that the target of halving the proportion of people with no access to basic sanitation has already been achieved. The Philippines is also on track in terms of meeting the following targets under the Millennium Development Goals: (a) providing universal access to primary education; (b) providing educational opportunities for girls; (c) reducing infant and under-five mortality; (d) reversing the incidence of malaria; (e) increasing tuberculosis detection and cure rates; and (f) increasing the proportion of households with access to safe water supply.

On the other hand, the Philippines is lagging behind in the following areas: (a) poverty; (b) elementary education, in terms of completion rate; (c) gender equality, as regards women's political participation, and the fact that boys are at a disadvantage in terms of participation in elementary- and secondary-level education; (d) maternal mortality; (e) access to reproductive health care; and (f) HIV/AIDS.

There is a medium probability that the incidence of income poverty will be reduced by half in 2015. The Philippines is also likely to meet its target of universal access to primary education, as greater resources are being allocated to the education sector to address backlogs in terms of classrooms, teachers and books.

With regard to gender, boys are at a disadvantage in terms of participation in elementary and secondary education (as noted directly above), cohort survival rate and completion rate. This report also shows that more females enrol in tertiary education and that there is a wide disparity in terms of functional literacy between males and females, with the latter having the advantage.

Regarding health, infant and under-five mortality rates have been considerably reduced and the targets will likely be achieved by 2015. However, the increase in the maternal mortality ratio indicates that the target of 52 deaths per 100,000 live births has a low probability of being met. Morbidity and mortality rates associated with malaria improved, as the number of provinces declared to be malaria-free increased to 27 in 2012 from only 13 in 2004. Similarly, the incidence, prevalence and mortality rates associated with tuberculosis have declined considerably, although tuberculosis is still one of the leading causes of morbidity and mortality in the country. On the other hand, the number of new cases of HIV has been increasing, although its prevalence is still less than 1 per cent.

Millennium Development Goals-related accomplishments were achieved owing to clearly defined institutional arrangements; supportive policies on development planning, investment programming, localization, financing, and monitoring mechanisms; programmes and projects supporting the Goals (e.g., the conditional cash transfer programme, KALAHI-CIDSS, universal health care, and the K to 12 programme); and the active participation of various stakeholders.

However, meeting the targets is challenged by conflicting and overlapping policies; weak implementation and monitoring at the local level; slow progress in achieving inclusive growth; urban and rural disparities; data constraints; and man-made and natural shocks.

In the context of the global community's preparation for the transition from the Millennium Development Goals to the sustainable development goals, the Philippines has developed an overarching vision of sustainable development encapsulated in the phrase "every Filipino living in prosperity, peace, justice and dignity". The proposed sustainable development framework is anchored by three national development goals stemming from the mutually reinforcing pillars of sustainable development: economic growth, social development and environmental stability. The framework upholds the integration of environment, social and economic concerns at all levels of the planning and implementation processes for the fulfilment of basic needs, improvement of living standards, and protection of the environment and natural resources so as to ensure an equitable, prosperous and safe future for all Filipinos.

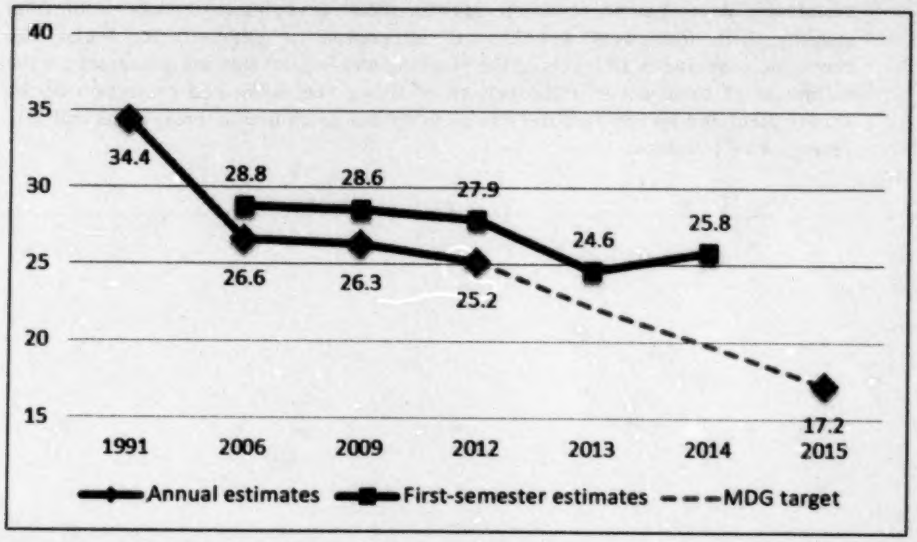
I. Implementation of national development strategies and policies

A. Pace of progress

1. Goal 1: Eradicate extreme poverty and hunger

1. The Millennium Development Goal target is to reduce poverty incidence in the population to 17.2 per cent. From 2009 to 2012, there was a small decrease in annual poverty incidence as shown by the blue line in figure I. According to the first-semester estimates generated (red line), while poverty incidence was decreasing from 2006 to 2014, there was a 1.2 percentage point increase from 2013 to 2014. This is attributed to the increase in consumer prices last year and the impact of Super Typhoon Yolanda (international name: Haiyan).

Figure I
Poverty incidence in the population, 1991-2014



Source: Philippines Statistics Authority.

2. Based on the latest annual estimates in 2009, fishermen posted the highest poverty incidence among the nine basic sectors in the Philippines, at 41.4 per cent, which was the same level as in 2006. They were followed by farmers and children (for whom the incidence was 36.7 per cent and 35.1 per cent, respectively). Between 2006 and 2009, poverty incidence increased in four basic sectors: youth and migrant and formal sector workers, with 1.0 percentage point increases; and children and individuals residing in urban areas, both with 0.3 percentage point increases.

3. From 1990 to 2014, the employment-to-population ratio has been stagnant, lying between 59 and 60 per cent. This may be due to the unresolved skills mismatch, low-quality employment and lack of employment opportunities.

4. The prevalence of underweight children under 5 decreased from 20.2 per cent in 2011 to 19.9 per cent in 2013. However, there are five regions where almost 1 out of 4 children are malnourished: the Autonomous Region in Muslim Mindanao (26.2 per cent), Eastern Visayas (25.7 per cent; Bicol (25.3 per cent); Zamboanga Peninsula (25.2 per cent) and SOCCSKSARGEN (25.1 per cent).

2. Goal 2: Achieve universal primary education

5. Access to elementary education in the Philippines has improved in recent years, with a total enrolment of 14.5 million in school year 2012-2013, about 91 per cent of whom are in public schools, courtesy of the State policy of providing free and compulsory elementary education. After a steep decline from 2001 to 2006, elementary net enrolment ratio, which is a key indicator of universal access to primary education, has steadily improved, from a low of 83.2 per cent in school year 2006-2007 to 95.2 per cent in school year 2012-2013.

6. Despite this improvement, enhancing internal efficiency in elementary education remains a big challenge, as reflected by both the cohort survival rate and the completion rate. Nevertheless, both rates have generally improved since school year 1991-1992, although the improvement has been characterized by fluctuations. Recent developments and crucial reforms in basic education in the Philippines are expected to advance the achievement of the education target of the Millennium Development Goals in the long run.

3. Goal 3: Promote gender equality and empower women

7. Girls consistently maintained a higher proportion relative to boys as regards enrolment at the elementary level from 1999 to 2011, and at the secondary level from 1996 to 2012. Based on the data for 1996-2012, girls also have higher cohort survival and completion rates than boys, suggesting that girls are more likely to stay in school and finish schooling. Further, data for the period from school year 2000-2001 to school year 2011-2012 show consistently that more females than males enrol in tertiary education.

8. While there is lesser disparity between males and females in terms of basic literacy, with literacy of females having been only 1 percentage point higher than that of males in 2008, there is a wide disparity between the two groups in terms of functional literacy, to the advantage of the female population.

9. Women have become more visible in terms of political participation, with a steady increase in the number of women elected to legislative seats and local government positions. While these are positive developments, data show that electoral positions are still dominated by men. In some cases, elected women represent extensions of men, as wives, daughters or mothers.

4. Goal 4: Reduce child mortality

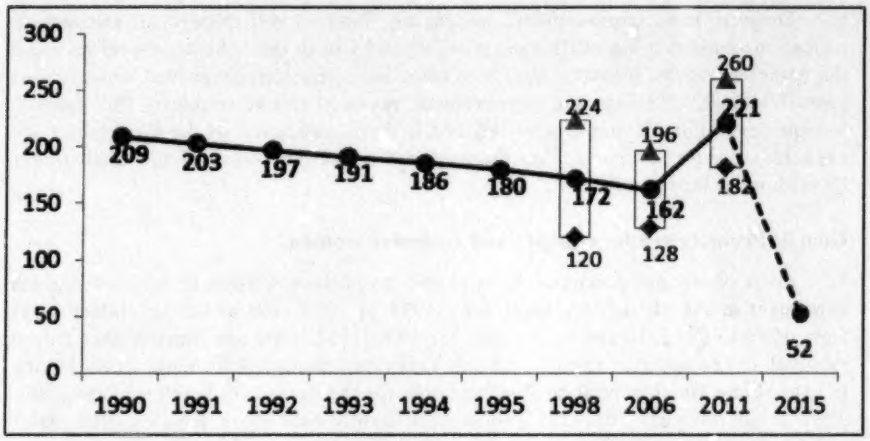
10. Targets for infant and under-five mortality rates remain achievable by 2015. The number of infant and under-five deaths continued to decrease from 2006 to 2013. For every 1,000 live births, the number of infant deaths decreased from 24 in 2006 to 23 in 2013, while under-five deaths decreased from 32 per thousand in 2006 to 31 per thousand in 2013.

11. From 2001 to 2011, more male infants and more infants in rural areas died compared with their female and urban counterparts. Access to facilities and services continues to be an issue in the achievement of the Goal, with far-flung areas still having a difficult time accessing the appropriate child health interventions.

5. Goal 5: Improve maternal health

12. For every 100,000 live births, the maternal mortality ratio had decreased from 209 in 1990 to 172 in 1998 and to 162 in 2006. However, it increased to 221 per 100,000 live births in 2011. While the difference between the 2006 and 2011 figures may not be statistically significant (see figure II), the previous observation that the country is not on track in meeting Millennium Development Goal 5 still holds.

Figure II
Maternal mortality ratio, 1990-2015



Sources: National Statistical Coordination Board (1990-1995); and National Demographic Surveys, National Demographic and Health Surveys, Family Planning Surveys, Family Health Surveys and Philippine Statistics Authority-National Statistics Office (1998-2011).

13. The target for universal access to reproductive health is also unlikely to be achieved, as determined by the contraceptive prevalence rate among currently married women (15-49 years), which increased from 48.9 per cent in 2011 to 55.1 per cent in 2013. This is far from the Millennium Development Goal target of 63 per cent, indicating a low likelihood of achievement. Fast-tracking the implementation of the Responsible Parenthood and Reproductive Health Law is crucial, not just in improving performance in achieving the Millennium Development Goal 5 targets, but also in empowering women to make informed choices.

6. Goal 6: Combat HIV/AIDS, malaria and other diseases

14. *HIV/AIDS.* The increase in the number of new HIV infections has become rapid. In December 2014 alone, there were 509 new HIV Ab-seropositive individuals reported, a figure that is 42 per cent higher compared with the same period in the previous year. From 1984 to 2014, there were 2,049 AIDS cases

reported, where 1,744 of the individuals affected (85 per cent) were males. In 96 per cent of cases (1,967), the individuals were infected through sexual contact, 890 through contact with members of the same sex, 657 through contact with members of the opposite sex and 420 through contact with members of both sexes. Those infected ranged in age from 1 to 81 years (with a median of 32).

15. *Malaria.* For every 100,000 members of the population, there was a decline in the malaria morbidity rate, from 123 cases in 1990 to 7.9 cases in 2013, as well as in the malaria mortality rate, from 1.5 deaths in 1990 to 0.01 in 2013. A total of 27 provinces were declared malaria-free in 2012, up from only 13 in 2004.

16. *Tuberculosis.* Tuberculosis is still one of the top causes of morbidity and mortality in the country. For every 100,000 members of the population, the prevalence rate increased from 393 cases in 1990 to 438 in 2013. On the other hand, the tuberculosis mortality rate declined from 58 deaths in 1990 to 27 deaths in 2013 per 100,000 population.

7. Goal 7: Ensure environmental sustainability

17. *Forest cover.* Forest cover shrank from 23.9 per cent (7,162,560 hectares) of the country's total land area in 2003 to 22.8 per cent (6,839,718 hectares) in 2010. This can be attributed to the rate of consumption of forest products (e.g., through slash-and-burn agriculture, charcoal making, and logging activities), which far exceeded the rate of reforestation from 2003 to 2010.

18. *Air quality.* When the Philippines ratified the Montreal Protocol on Substances that Deplete the Ozone Layer in 1991, the country committed to phasing out the importation and consumption of chlorofluorocarbons in all sectors. Since the Philippines is neither a producer nor an exporter of chlorofluorocarbons or of other ozone depleting substances, compliance with the treaty is achieved through the gradual decrease in importation. The remarkable performance in decreased consumption of ozone depleting substances can be attributed to the number of regulations and policies for improving air quality in the country, including the Clean Air Act, which was passed in 1999.

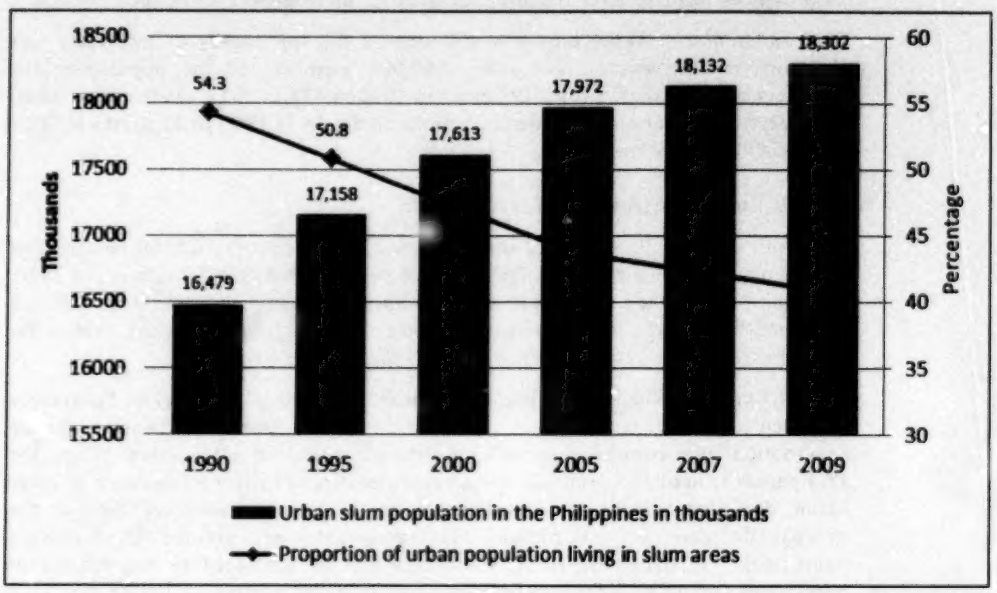
19. *Biodiversity.* The number of areas classified as protected areas (i.e., natural parks, protected landscapes/seascapes, natural monuments/landmarks, resource reserves, wildlife sanctuaries, natural biotic areas and marine reserves) has also been continuously expanding, from 143 terrestrial protected areas, covering 2.49 million hectares (8.5 per cent of the total surface area of the country), in 1990, to 170 covering 4.07 million hectares (13.6 per cent of total surface area) in 2014.

20. *Access to safe drinking water and sanitation.* The proportion of families with access to safe water supply has increased consistently, from 71 per cent in 1990 to 83.8 per cent in 2013, illustrating the high probability of attaining the 2015 Millennium Development Goal target of 86.5 per cent. Further, those with access to sanitary toilets[1] has significantly increased, from 67.6 per cent in 1990 to 92.2 per cent in 2013, a figure that is already higher than the Millennium Development Goal target of 83.8 per cent.

[1] Own toilets, shared toilets and closed pits are considered sanitary, in contrast to open pits, drops/overhangs, pail systems and the absence of access to a toilet facility.

21. *Slum dwellers.* The estimated proportion of the urban population living in slum areas in the Philippines has been declining, from 54.3 per cent in 1990 to about 40.9 per cent in 2009 (see figure III). However, while the proportion has been declining over time, the magnitude of the number of slum dwellers has steadily increased, from 16.47 million in 1991 to about 18.30 million in 2009.

Figure III
Urban slum population (thousands) and proportion of urban population (percentage) living in slum areas, 1990-2009



Source: United Nations Human Settlements Programme (UN-Habitat), *State of the World's Cities 2012/2013: Prosperity of Cities* (New York, Routledge, 2013).

8. Goal 8: Develop a global partnership for development

22. In terms of developing further an open, rule-based, predictable, non-discriminatory trading and financial system, the Philippines continues to improve the competitiveness of industries by enhancing the business environment. In the *Global Competitiveness Report 2014-2015* (Geneva, World Economic Forum, 2014), the Philippines ranked fifty-second among 144 economies, up seven notches from the previous year's fifty-ninth place. The level of the Philippines in the Global Competitiveness Index has consistently risen and the Philippines has also made the biggest improvement among all countries by rising 23 notches since 2010. The results suggest that the reforms of the past four years have bolstered the country's economic fundamentals.

B. Major interventions

23. Since the adoption of the United Nations Millennium Declaration in 2000, the commitment from all levels of the Government of the Philippines has been evident

by virtue of the numerous policies put in place and the programmes implemented to support the Millennium Development Goals. The concerted efforts of the different stakeholders (business, civil society, community/people and international development partners) have added to the strength of Millennium Development Goals implementation in the Philippines.

1. What worked?

(a) Clear institutional arrangements

24. The highest level of political support is given to the attainment of the Millennium Development Goals in the country, as evidenced by the fact that the current and former Presidents of the Philippines have, in this regard, led a number of country delegations and reported on the progress of the Philippines in achieving the Goals, particularly during the sessions of the General Assembly.

25. The Millennium Development Goals are also at the centre of policy discussions in regular Cabinet-level meetings, such as Cabinet meetings with the President, meetings of Cabinet Clusters, particularly the Human Development and Poverty Reduction Cluster, and meetings of the Social Development Committee of the National Economic and Development Authority Board. There is also explicit support from the legislative branch, through the creation by the House of Representatives of the Special Committee on the Millennium Development Goals, which functions as an oversight body of the House of Representatives in regard to attainment of the Millennium Development Goals.

26. For programme and project coordination, the Multisectoral Committee on International Development Commitments, a subcommittee of the Social Development Committee of the National Economic and Development Authority Board, is being utilized to monitor the country's progress and the efforts of various stakeholders to promote achievement of the Goals; and to monitor, report on, review and evaluate the compliance of the Philippines with commitments made during international conferences on human and social development. Social Development Committee resolution No. 1 (series of 2003),[2] tasked the National Economic and Development Authority with serving as the lead agency in coordinating and monitoring the Millennium Development Goals and identified specific lead agencies for each of the Goals-related concerns (see table 1).

Table 1
Lead agencies of the Philippines, according to Millennium Development Goals-related area of concern

Agency	*Goals-related area of concern*
National Anti-Poverty Commission	Poverty alleviation
Housing and Urban Development Coordinating Council	Shelter and human settlements

[2] Entitled "Expanding the composition of the Multisectoral Committee on International Human Development Commitments, Amending Social Development Committee Resolution No. 1 (series of 1996)".

Agency	*Goals-related area of concern*
Department of Health	Health concerns including water and sanitation
National Nutrition Council	Hunger and nutrition
Department of Education	Primary education
Philippine Commission on Women	Gender equality and empowerment of women
Department of Environment and Natural Resources	Environmental sustainability
Department of the Interior and Local Government	Localization of the Goals
Philippine Statistics Authority (now encompassing the former National Statistics Office and the National Statistical Coordination Board)	Indicators/statistics
Department of Budget and Management	Financing/budget
Department of Trade and Industry; Department of Finance	Global partnership for development

27. To ensure availability of data for progress monitoring, National Statistical Coordination Board resolution No. 10 (series of 2004)[3] designated the Board as the repository of Millennium Development Goals indicators in the Philippines and coordinator for the generation and improvement of statistics for the Goals. The resolution also enjoined all concerned data-producing agencies and local government units to generate and regularly provide timely and accurate statistics for monitoring Goals indicators. The Board readily provides data and estimations on the probability of achieving national-level targets through the Millennium Development Goals Watch website. Along similar lines, the regional offices of the Board maintain regional Millennium Development Goals databases, which provide regional-level statistics. These data are being utilized in policymaking, in identifying priority areas and interventions, and in formulating progress reports on the Goals.

28. The Government, through the National Economic and Development Authority, prepared five national Millennium Development Goals progress reports, released in 2003, 2005, 2007, 2010 and 2014. These reports were prepared in consultation with various government agencies, academia and research institutions, the United Nations country team and civil society organizations. The reports exhibited the progress made in respect of each of the Goals, the challenges encountered and the actions needed to keep the country on track towards the achievement of the Goals.

[3] Entitled "Adoption of and Enjoining Data Support to the Millennium Development Goals Indicators".

(b) Policies supporting the Millennium Development Goals

29. *Development planning.* In respect of the crafting of the Medium-term Philippines Development Plan 2004-2010 and the Philippines Development Plan 2011-2016, the Millennium Development Goals served as a guide in the formulation of medium-term policies and strategies. The Goals were integrated in the sectoral plans and budgets, and were explicitly considered in the context of the prioritization of programmes and projects to be implemented.

30. The Philippines Development Plan 2011-2016 midterm update mainstreamed the recommendations of the Philippines fifth progress report on the Millennium Development Goals by emphasizing the importance of improving human capabilities and reducing vulnerabilities so as to equalize development opportunities and enable achievement of rapid and sustained economic growth. It also recognized the impact of geography on the quality of human life by tailoring government interventions according to the needs of three categories of provinces: those with the highest number of the poor; those with the highest proportion of the poor; and those that are prone to multiple hazards, particularly natural disasters.

31. *Investment programming.* Programmes and projects supporting the Millennium Development Goals were included in the Medium-term Philippines Investment Programme 2004-2010 and the Public Investment Programme 2011-2016, the investment plans accompanying the Medium-term Philippines Development Plan and the Philippines Development Plan. Monitoring the flow of official development assistance (ODA) in the country enables the National Economic and Development Authority to include the list of foreign-assisted projects supporting the Goals in the annual ODA portfolio review reports submitted to the Congress of the Philippines.

32. *Localizing the Millennium Development Goals.* As the agency tasked to lead Goals localization, the Department of the Interior and Local Government issued memorandum circular No. 2004-152[4] in November 2004 to encourage local government units to intensify efforts in the implementation of programmes, activities and projects and increase budgetary allocations for basic social services in support of achievement of the Goals. It also provided guidance on poverty-focused planning and budgeting and local poverty diagnosis and monitoring, and encouraged replication of good practices responsive to the Goals. To further assist local government units, the following tools, instruments and facilities promoting Goals localization were developed and made available:

- The Local Government Unit Menu of Options to Address the Millennium Development Goals, which recommends specific projects and activities that may be implemented by the units to address Millennium Development Goal targets
- Millennium Development Goals localization costing templates, which help local government units estimate the required investment cost for the implementation of the Goals-related programmes, activities and projects
- Good practices in local governance: facility for adaptation and replication, which promotes and institutionalizes sharing and replication of sustainable good practices in local governance and enables local government units to improve the delivery of basic services to their constituents

[4] Entitled "Guide to LGUs in the Localization of the MDGs".

- The Monitoring and Evaluation System on Tracking Local Government Unit Responses to Millennium Development Goals, which aims to monitor local government unit contributions and local-level progress on the attainment of the Goals and related initiatives of local government units

33. *Financing the Millennium Development Goals.* To provide information on the financial requirements for supporting the achievement of the Goals by 2015, the National Economic and Development Authority and the United Nations Development Programme (UNDP) commissioned the conduct of a study[5] in 2006 that examined national and local government financing for poverty reduction, universal access to complete primary education, health-related Goals and improved access to water supply and sanitation. The study generated estimates of the resource requirements, available resources and financing gaps in respect of the implementation of related programmes and projects from 2007 to 2015, and provided policy recommendations on how to bridge those financing gaps. An update of the study[6] by the Philippines Institute of Development Studies in 2011 indicated the need for the Government to consider enacting new tax measures so that fiscal consolidation could be achieved without sacrificing the financing for the Goals and inclusive growth.

34. Since 2006, Department of Budget and Management guidelines and procedures related to the preparation of national and local budgets have emphasized funding for Millennium Development Goals-related programmes, activities and projects. The Goals were also given high priority in the preparation of the expenditure plans and programmes of concerned agencies, such as:

- The Health Expenditure Framework of the Department of Health, which aligns its budget with policy priorities within the medium term so as to ensure funding for all priority health programmes in the coming years
- The Department of Education Medium-term Spending Plan 2012-2017, which details the cost of investments needed for addressing input deficiencies so as to promote universal access to quality education
- The Department of Social Welfare and Development budget strategy prioritizing programmes related to conditional cash transfer and national household targeting
- The Department of Finance Millennium Development Goals Fund (MDG-F),[7] which allocated 500 million Philippine pesos (PhP) for financing local initiatives in support of attaining the Goals' objectives, and specifically for the implementation of the Goals-related projects of fourth- to sixth-class municipalities. The Department assisted local government units in expanding and upgrading social infrastructure so as to provide quality Millennium Development Goals-supportive services to their constituents

[5] Entitled "Financing the MDGs: the Philippines".

[6] Entitled "Financing the MDGs and Inclusive Growth in the Time of Fiscal Consolidation".

[7] Established through the issuance of resolution No. 04-12-22-2005 by the Millennium Development Fund Office. The Department of the Interior and Local Government and the Department of Finance-Municipal Development Fund Office agreed to jointly implement the Millennium Development Goals Fund under a memorandum of agreement signed on 6 August 2007.

- The Department of the Interior and Local Government Local Governance Performance Management Programme, which was conducted through the Performance Challenge Fund financial subsidy facility. This helped stimulate local governments through conferring premiums for performance to enable financial support for jump-starting and sustaining local economic development initiatives for poverty reduction in their localities.

35. Gains that resulted from these efforts are reflected in the trend towards increasing national government expenditures for social services (from PhP 278.3 billion in 2008 to PhP 504.3 billion in 2012).

Table 2
National government expenditures for social services 2008-2012
(Billions of Philippine pesos)

Year	*2008*	*2009*	*2010*	*2011*	*2012*
Expenditure	278.3	310.0	306.0	408.1	504.3

Source: *Department of Budget and Management*, Budget of expenditures and sources of financing, 2008-2012.

36. *Monitoring the Millennium Development Goals.* The Core Local Poverty Indicator Monitoring System was developed for the purpose of generating local-level information for poverty diagnosis and planning, given the importance of establishing benchmarks and monitoring progress made at the local level. The Core Local Poverty Indicator Monitoring System recommends the use of 14 core local poverty indicators for local planning and monitoring of local Goals-related progress. Further, the Department of the Interior and Local Government and the National Anti-Poverty Commission prescribed the Community-based Monitoring System, which is a tool used in collecting data at the local level for evidence-based planning, budgeting, local development programmes implementation, and monitoring and evaluation. It entails a census of all households at the *barangay* level. Given that the core set of Community-based Monitoring System indicators includes health, nutrition, shelter, water and sanitation, basic education, income and employment, it has been readily adopted as a tool for generating Millennium Development Goals indicators. As of 15 January 2015, the Community-based Monitoring System was being utilized in 75 provinces, 69 cities, 867 municipalities and 23,410 *barangays*.

(c) Implementation of major programmes and projects supporting the Millennium Development Goals

37. *Pantawid Pamilyang Pilipino Programme.* Launched in 2008, this poverty reduction programme using the conditional cash transfer mechanism serves as the cornerstone of the Government's strategy to fight poverty and attain the Millennium Development Goals. It has the twin objectives of providing social assistance for the immediate needs of the family and enabling, through human capital investments, the social development needed to break the intergenerational poverty chain. The beneficiary households are selected through the National Household Targeting System for Poverty Reduction, managed by the Department of Social Welfare and Development, using the Family Income and Expenditure Survey and small-area estimates of the Philippine Statistics Authority. As of 31 December 2014, the Pantawid Pamilyang Pilipino Programme was being implemented in 144 cities and

1,483 municipalities in 80 provinces, where a total of 4,455,116 households are enrolled. Of the total number of households, 4,236,739 are covered by the regular Pantawid Pamilyang programme, while 218,377 households are covered by the Modified Conditional Cash Transfer, which covers beneficiaries who are not covered by the regular conditional cash transfer, such as the homeless and street families. In terms of the distribution of households, 1,821,649 (40.89 per cent) are from Luzon, 1,725,190 (38.72 per cent) from Mindanao and 908,277 (20.39 per cent) from Visayas.

38. *Kapit-Bisig Laban sa Kahirapan — Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS).* This programme is a community-driven development approach that seeks to combat poverty and improve local governance by strengthening the capacity of citizens to identify and implement local solutions to poverty issues. In essence, it puts power back in the hands of the people by giving them the opportunity to make informed decisions on locally identified options for development.

39. At present, KALAHI-CIDSS has expanded to the national scale with the implementation of the KALAHI-CIDSS National Community-driven Development Programme, a poverty alleviation programme of the national Government implemented by the Department of Social Welfare and Development. In addition, there are other projects being implemented under the Programme, namely: KALAHI-CIDSS Additional Financing, KALAHI-CIDSS Millennium Challenge Corporation, Australian Grant, the Japan Social Development Fund-Livelihood for Vulnerable Urban Communities, KALAHI-CIDSS-Payapa at Masaganang Pamayanan (PAMANA), Bottom-up Budgeting and the Japan Fund for Poverty Reduction.

40. Since 2003, the programme has covered 8,435 *barangays*, 364 municipalities, and 49 provinces in 12 regions. As of December 2014, KALAHI-CIDSS had funded a total of 10,008 sub-projects, 6,611 of which are already completed and directly benefiting approximately 1.5 million household beneficiaries. The table below presents the breakdown of physical accomplishment per project.

Table 3
Physical accomplishment per project

Project	*Funded sub-projects*	*Completed sub-projects (number/proportion)*	*Household beneficiaries of completed sub-projects*
National Community-driven Development Programme	Ongoing social preparation activities		
KC-Additional Financing	2 330	2 328 (99.9 per cent)	595 334
KC-Millennium Challenge Corporation	2 966	1 786 (60 per cent)	388 933
Australian Grant	230	0 (0 per cent)	
Japan Social Development Fund-Livelihood for Vulnerable Urban Communities	95	84 (88.42 per cent)	n/a
PAMANA	3 351	2 287 (66.25 per cent)	577 359
Bottom-up Budgeting	921	125 (13.57 per cent)	n/a
Japan Fund for Poverty Reduction	115	1 (0 per cent)	n/a
Total	**10 008**	**6 611**	**1 550 281**

Abbreviations: n/a, not available.

41. KALAHI-CIDSS has demonstrated that empowered communities can mobilize resources in order to address their pressing problems through solutions that they themselves discuss, prioritize, implement, maintain and claim ownership for. In September 2011, the World Bank prepared "The KALAHI-CIDSS impact evaluation: a synthesis report", which presented the following results:

- Households and locally elected officials in targeted municipalities see value in the KALAHI-CIDSS approach, as available data indicate relatively high participation rates in project activities
- KALAHI-CIDSS was successful in minimizing risk of elite capture
- The programme had a positive impact on household consumption
- The programme led to improvements in basic service delivery
- KALAHI-CIDSS increased participation in *barangay* assemblies, associated with greater body of knowledge concerning the *barangay*'s income and expenses, consistent with the project development objective
- The project had positive impacts on a number of social capital outcomes, which have been shown to be more important determinants of household welfare

42. *Universal health care.* For 2010 to 2016, the country's health programme is anchored by the Universal Health Care Programme, with attainment of the Millennium Development Goals being one of its strategic thrusts. The objective of the Programme is to promote equity in health through the provision of full financial protection and improvement of access to priority public-health programmes and quality hospital care, especially for the poor. To attain health-related Millennium Development Goals, public-health commodities were procured for distribution to rural health units serving areas covered by condition cash transfer; community health teams were mobilized and trained; about 10,000 nurses were deployed under the Registered Nurses for Health Enhancement and Local Service programme; and implementation plans were developed in 12 geographical areas where Goals-related problems are concentrated.[8]

43. *Kindergarten to 12 Years Basic Education Programme (K to 12).* The adoption of the 12-year formal basic education cycle is among the most urgent and critical tasks referred to under the Philippines National Action Plan for Education for All (EFA) 2015. Under K to 12, the Government targets universal kindergarten enrolment for children age 5. Primary/elementary education will continue to have a duration of six years, while the duration of secondary-level education will be lengthened to six years from the current four. This initiative is based on the anticipated need for Filipinos to be equipped with improved competencies which match the efforts of neighbouring countries and respond to the domestic and international demand for higher levels of competencies. The mandatory implementation of universal kindergarten started in school year 2011-2012, while the K-to-12 curriculums for grades 1[9] and 7 (first year of junior high school)[10] were

[8] Known as the MDG Dozen of the Department of Health, these areas are Metro Manila, Negros Occidental, Quezon, Cebu, Pangasinan, Iloilo, Cavite, Maguindanao, Zamboanga del Sur, Leyte, Davao del Sur and Pampanga.

[9] The first group to fully participate in the K to 12 programme.

[10] The first group to participate in the enhanced secondary education programme.

implemented in school year 2012-2013. The Department of Education is currently preparing the necessary infrastructure (e.g., classrooms and other arrangements) needed for the provision of senior high school education. Grade 11 (year 5 of high school) and grade 12 (year 6 of high school) will be introduced in school years 2016-2017 and 2017-2018, respectively. There will be a continuum from kindergarten to grade 12 with an enhancement of the curriculum to enable mastery in learning for the duration of basic education.

(d) Active participation of various stakeholders

44. *Making Champions: Local Chief Executives.* Success or failure in respect of achieving the Millennium Development Goals is contingent on the interventions and political will of local government units inasmuch as the decentralization policy has given them the primary responsibility for ensuring the welfare and development of their constituents (Department of the Interior and Local Government, 2010). The localization of the Millennium Development Goals through the production of subnational Goals reports has been path-breaking in the Philippines because it created *champions* among the local chief executives. The participatory process utilized in formulating the Goals reports has increased the sense of ownership of those reports by, and the commitment to pursuing the Goals of, the 17 provincial and 3 city governments (Reyes, 2014). Their political buy-in to the Goals has undeniably translated into a commitment to contributing to the achievement of the Goals and their targets. This commitment set the stage for (a) budgeted and implemented Goals-related programmes and projects; (b) conscious efforts to address the objectives with low probability of attainment as well as sustain those that have been attained; and (c) the mainstreaming of Goals-related targets into local development plans.

45. *International development partners.* Advocacy activities designed to generate donor support were conducted through the Philippines Development Forum, the primary government mechanism for facilitating substantive policy dialogue among stakeholders on the country's development agenda. Through the creation of a Technical Working Group on the Millennium Development Goals and Social Progress, policy dialogues in support of the Goals were facilitated. Several multilateral and bilateral agencies have already aligned their country assistance frameworks with the Goals. As regards the Government's conditional cash transfer programme, partnership with donor organizations such as the World Bank was forged to provide financial support for the programme's implementation. As a means of mobilizing financial resources, assistance from international development agencies was tapped. Foreign assistance (through loans and grants) in improving the basic education sector from 2000-2010 amounted to about PhP 45.9 billion.

46. *Public-private partnership.* Recognizing the important role of the private sector as the main driver for national development, the Government identified the implementation of public-private partnerships as a cornerstone of its strategy for accelerating infrastructure development in the country and sustaining economic growth. To strengthen public-private partnerships in the Philippines, the PPP Centre was established in 2010 to coordinate the facilitation of such partnerships in the country. The current public-private partnerships framework expanded its coverage to include non-traditional infrastructure sectors such as health and education and other social infrastructure and development projects.

47. *The business sector.* Philippine Business for Social Progress served as leader in the formulation of the Philippines Millennium Development Goals Framework for Business Action through a series of consultations with business executives and leaders of corporate foundations, corporate officers, government partners and the donor community. In 2004, Philippine Business for Social Progress published "Responding to the Millennium Development challenge: a road map for business in the Philippines" and the "Business and the MDGs investment report 2010", which indicated that there had been about PhP 2.5 billion in corporate investment from 2005-2010 for the implementation of Millennium Development Goals-related initiatives on poverty, health, education and environment (see table 4).

Table 4
Private sector Millennium Development Goals-related investments

Poverty reduction projects	Create livelihood and employment opportunities for the poor	PhP 1.76 billion
	Provide access to basic services, including food and nutrition for children	
Education-related projects	Direct school facilities improvement	PhP 435 million
	Support for systems improvement	
	Capacity-building for parents and teachers	
	Provision of scholarships and support to students	
Health	Medical missions sponsored by companies	PhP 145 million
	Programmes for the prevention and treatment of HIV/AIDS, tuberculosis and other diseases, which are undertaken as workplace programmes for employees and their dependants	
Environment	Most of the companies surveyed are supportive of initiatives for sustainable water resource utilization	PhP 143 million
	In terms of financial support, most of the investment was in programmes promoting biodiversity	

48. *Civil society.* Active participation of civil society is evident in the participation of Gawad Kalinga/Habitat for Humanity and other non-governmental organizations in the implementation of a comprehensive and permanent housing programme for the victims of Typhoon Sendong in Cagayan de Oro, Iligan and Dumaguete City.

49. The establishment of a referral system among service providers resulted in a more systematic delivery of treatment, care and support services to persons living with HIV, affected family members and significant others. This has been demonstrated in an initiative undertaken by the Alliance Against AIDS in Mindanao.

50. The Pilipinas Shell Foundation Movement Against Malaria has been instrumental in reducing malaria mortality and morbidity in the five malaria-endemic provinces of Palawan, Apayao, Quirino, Sulu and Tawi-Tawi through the distribution of long-lasting insecticide-treated nets and indoor residual spraying.

51. Social Watch Philippines, a network of citizens' organizations established to promote people-centred sustainable development, has prepared citizens reports on the Millennium Development Goals, which provide assessments of the Government's efforts from the perspective of civil society organizations and recommendations on how to improve performance in respect of achieving the Goals.

52. The role of the media in deepening the appreciation and understanding of the Millennium Development Goals, especially in hard-to-reach areas, should also be underscored. Philippine Media Advocates for Development and Empowerment (PhilMADE) is an alliance of media advocates acting as catalysts in creating an enhanced policy environment favourable to gender, population and reproductive health programmes, particularly for marginalized and poor communities, oriented towards achievement of the Millennium Development Goals.

53. *Communities'/people's participation.* The 2012 study of the Asian Development Bank entitled *The KALAHI-CIDSS Project in the Philippines: Sharing Knowledge on Community-Driven Development* reported that the participatory planning processes of KALAHI-CIDSS ensure that all community members, especially the poor, have the opportunity to be involved in the situation analyses that lead to village development plans. These, in turn, serve as an important input into municipal development plans. The transparency of the programme's Municipal Inter-barangay (inter-village) Forum strengthens the responsiveness of local planning and budgeting systems to the needs of the poor. The Forum is an effective mechanism for carrying out sub-project selection and the allocation of development resources.

2. What did not work?

(a) Conflicting and overlapping policies

54. There are a number of conflicting and overlapping policies that led to the delay or suspension of some projects. These include:

- Forest protection laws versus the Agriculture and Fisheries Modernization Act
- The National Integrated Protected Areas System Act versus the Fishery Code, particularly in respect of the municipal-water income of municipalities within protected areas, as well as versus the Local Government Code on the matter of the jurisdiction of local government units within protected areas
- The Mining Act, the National Integrated Protected Areas System Act, the Indigenous Peoples' Rights Act and the Local Government Code

55. On the provision of decent housing for the poor, various laws provide that "economic and socialized housing" refers to housing units, which are within the affordability level of the average- and low-income earners, represented by 30 per cent of gross family income. Thus, the targeted beneficiaries of socialized housing are those in the first to third deciles. However, given the existing price ceilings, socialized housing can be afforded only by families in the sixth decile and above.

(b) Weak implementation and monitoring at the local level

56. The achievement of the Millennium Development Goals depends largely on the effective provision of basic social services to the people, most of which devolve

to the local government units. However, implementation and monitoring at the local level have been weak, owing to the following factors:

57. *Lack of capacity.* Given the devolution of health services mentioned directly above, there must be a strengthening of capacities at the local level and, at the same time, the assured availability of trained human resources; otherwise, upgraded health facilities will be useless. The National Agenda to Accelerate the Achievement of Millennium Development Goal 5 recommended that the Department of Health decide on the organization of emergency obstetric services and a needs assessment of health facilities and hospitals (in terms of functionality and distribution) to serve as bases for strengthening capabilities to reduce maternal mortality. As regards the environment, the Philippines Development Plan 2011-2016 highlighted the need to develop the competence of local government units to implement their mandated tasks and properly assume environment and natural resources-related functions, while considering the technical expertise needed to implement provisions of environment and natural resources laws requiring the application of new and sophisticated technologies (e.g., the geographic information system, the Global Positioning System, valuation, databases and online connectivity of information systems).

58. *Resource constraints.* The institutional and financial capacities of local government units in respect of service delivery to their constituents need to be improved so as to ensure the implementation of effective interventions for the achievement of the Millennium Development Goals. A research report prepared by the Philippine Institute for Development Studies and the United Nations Children's Fund (UNICEF), entitled "Improving local service delivery for the MDGs in Asia: the Philippines' case" (PIDS Discussion Paper, No. 2009-34 (Makati City, Philippines, November 2009)), observes that the immediate transfer of powers, functions and responsibilities for carrying out devolved services, as a result of the enactment of the Local Government Code in 1991, has created a "mismatch between LGUs' powers and responsibilities, and institutional and financial capacities". The study also mentions that resource constraints and institutional deficits impact on the quality and quantity of services delivered, especially in most fifth- and sixth-class municipalities and low-income provinces. These concerns highlight the need to intensify efforts to strengthen the absorptive capacity of local government units so as to improve the delivery of services to their constituents.

59. *Low compliance with the Department of the Interior and Local Government monitoring and evaluation system.* Notwithstanding the related circulars issued by concerned national government agencies on establishing a mechanism to monitor progress at the local level, many local government units still lack the appropriate monitoring systems, which would enable them to track their progress and provide timely and disaggregated data and statistics for identifying the interventions needed to meet the Millennium Development Goals. Since the setting up of a monitoring system (e.g., the Community-based Monitoring System) entails costs, encouraging local government units to invest in such system remains a challenge. The low compliance of local government units in respect of implementing the Department of the Interior and Local Government monitoring and evaluation system has hindered efforts towards establishing a system that will provide information on the progress at the local level, initiatives undertaken by the units and investments made to support achievement of the Goals. The Department identified the following factors as responsible for the units' low compliance:

- Lack of the funds needed to orient and provide technical assistance nationwide
- Confusion stemming from differences in the data-gathering tools used to track progress in achieving the Millennium Development Goals at the local level
- Competing workload priorities
- Differences in the understanding of how to fill out and encode forms
- Difficulty in tracking data for three years due to poor records management

60. *Low compliance as regards reporting on Millennium Development Goals-related budget allocations and expenditures.* The Department of Budget and Management-National Economic and Development Authority joint circular No. 01-2011[11] required concerned government agencies to submit annual reports on allocation, spending, and accomplishments for the implementation of Millennium Development Goals-related programmes, activities and projects, which are consolidated by the Authority to enable the determination of the Government's financial investment for the Millennium Development Goals. Since the tracking tools are independent instruments for monitoring and were not consciously taken into consideration during the planning process, the categorization of interventions per Goal may not signify determined efforts on the part of the local government unit to formulate and implement programmes, activities and projects designed to address the Goals. Thus, deliberate planning for the achievement of the Goals remains desirable at the local level (Department of the Interior and Local Government, 2010).

61. *Unequal prioritization of Millennium Development Goals at the local level.* In terms of policies, local support remains inadequate for responding to the targets under Goals 4 and 5. Across regions and provinces, it is noticeable that these two Goals received the lowest priority in terms of policy support among local government units, providing some evidence of why attainment of these targets is lagging behind at the national level. Ensuring maternal health, including the improvement of the contraceptive prevalence rate and provision of reproductive health care, remains a low priority among those units. This being the case, the challenge of engaging local government units in support of these targets through the enactment of local policies remains a critical concern.

(c) Growth is not inclusive

62. Despite the growth of the economy over the past decade, the benefits have not reached the poorest and most vulnerable. Certain segments of the population remain poor despite the implementation of various poverty reduction programmes. Poverty incidences for fishermen, farmers, children, and self-employed and unpaid family workers are higher than the incidence of poverty at the national level and have not improved over the last decade. Further, the indigenous peoples sector has remained among the most vulnerable. Further, the share of vulnerable employment in total employment remains high, indicating that many are still working under relatively precarious circumstances.

[11] Entitled "Guidelines to institutionalize reporting of budget allocations and expenditures including physical targets and accomplishments for the Millennium Development Goals".

(d) Urban and rural disparities

63. There are wide disparities across regions in terms of the net enrolment, cohort survival and completion rates of schoolchildren. Performance is better in regions with higher average annual family income. Moreover, trends in terms of the ratio of girls to boys in both primary and secondary education indicate that, in order for gender equality in education to be achieved, efforts should be focused on boys. Boys drop out because they have to work, lack the money to pay for school requirements or have a lower motivation to attend school.

64. In regard to maternal health, there are wide variations across geographical locations, which may be due to inadequate access to maternal services, especially for those situated in difficult-to-reach areas, and other socioeconomic factors affecting the utilization of health-care services. Moreover, a significant proportion of birth deliveries are still performed at home and attended not by skilled health professionals but rather by *hilots* (traditional or folk matrons), especially in areas where the services of skilled professionals are inaccessible. The National Agenda to Accelerate the Achievement of MDG 5 determined that women prefer to deliver in their own homes based on a variety of factors, such as:

- Disrespect experienced during treatment received outside the home
- Discontinuity of the treatment provided by health providers of antenatal care, delivery assistance and post-partum care
- Geographical distance
- Financial costs

65. It was also pointed out that the full range of antenatal care services are not provided to women, which means that critical opportunities are missed to improve women's overall health and promote better pregnancy outcomes. Other concerns include inadequacies of the referral system, non-utilization of health facilities due to lack of awareness, increasing unmet needs for family planning services, and the increasing incidence of teenage pregnancy.

(e) Data constraints

66. The lack of updated or timely data on some indicators also poses a challenge to implementation of effective policies and programmes, owing mainly to the large intervals over the period of data gathering, and the lag times between the gathering, the processing and the dissemination of data. For example, estimates for infant, under-five, and maternal mortality are generated only every three to five years. Moreover, it was observed that there are no defined targets for some indicators, such as for employment under Goal 1, for access to secure tenure under Goal 7 (ensure environmental sustainability) and for those targets under Goal 8. Monitoring the progress under these indicators would have been more meaningful if targets had been explicitly defined.

67. Data disaggregation by sex and geographical area is also crucial in the designing of appropriate interventions. Currently, sex-disaggregated data are available only for a number of Millennium Development Goal indicators, while geographically disaggregated national and regional data are readily available for most indicators. The Philippine Statistics Authority also generates data up to the regional and provincial levels for only a few indicators, which are reported through

the Regional Millennium Development Goals Watch and the Provincial/City Millennium Development Goals Watch. Its limited range of indicators is due to the lack of provincial disaggregated data and the unavailability of provincial- and municipal-level data. Data are available only in local government units that invested in establishing a local data-gathering system for the monitoring of local-level Goals-related progress. Further, the Community-based Monitoring System is not available in every local government unit owing to financial constraints. A few are already engaged in their second round of surveys, but most cannot conduct a follow-up of the first survey owing to the aforementioned factors.

(f) Man-made and natural shocks

68. The occurrence of man-made and natural shocks has also affected the attainment of the Millennium Development Goals in the Philippines, which is one of the most disaster-prone countries in the world. The fifth progress report of the Philippines on the Goals demonstrated how these shocks tend to move non-poor families into poverty and poor families into even greater poverty.

C. Lessons learned

69. The following are some of the lessons learned in implementing Millennium Development Goals-related interventions:

- Tasking an organized body such as the Multisectoral Committee on International Development Commitments with leading the monitoring and reporting of the country's compliance in respect of the Millennium Development Goals paved the way for the institutionalization of the Goals within the regular functions of the government.
- Identifying lead agencies per area of Goals-related concern facilitated mainstreaming into the functions of concerned government agencies, the recognition and ownership of responsibilities for supporting the Goals, and the prioritization of the Goals in the national budget. However, there is a need to review and harmonize a number of conflicting and overlapping policies so as to ensure effective implementation.
- Seamless partnerships. Greater efficiency in delivery of systems requires all stakeholders to be informed at the minimum on what partners have been engaged in doing. More intensive coordination is needed at two levels:
  - Among national government agencies, each of which should keep the others apprised of its initiatives directed towards the localization of the Millennium Development Goals, in order to prevent duplication and enable synchronization with respect to projects, so that partners can better achieve the set objectives. The Department of the Interior and Local Government can take the lead in this regard.
  - Among local government units: closer coordination among units can increase the probability that goals and targets will be fully localized. Best-performing local government units can share their good practices with those who are lagging behind. Meetings of leagues of local government units can provide a good venue for such activity.

- Instituting policies designed to create an environment for Goals localization enabled local government units to assume the role of champions in the delivery of services designed to support achievement of the Goals. However, their institutional and financial capacities need to be improved to ensure the effective implementation of interventions.

- The availability of official data has allowed the establishment of a system for tracking progress made at the national and subnational levels. However, the monitoring system could be further improved if appropriate and timely statistics and data, disaggregated by sex and geographical area, were available.

- Making data available at the local level is important in ensuring the implementation of appropriate interventions. This has been demonstrated through the experiences of local government units that utilized data generated from the Community-based Monitoring System for various purposes, ranging from the formulation of Goals-responsive local development plans to the monitoring of local progress. However, many local government units still need further encouragement in respect of investing in the establishment of a data monitoring system. Capacities for data utilization aimed at identifying priorities and formulating effective programmes and projects in support of the Millennium Development Goals should also be enhanced.

- It is important to put in place a system that will provide an information database on the progress made at the local level, the initiatives undertaken by the local government units and the investments made to support Goals achievement. This highlights the need for efforts to strengthen the implementation of the Department of the Interior and Local Government monitoring and evaluation system.

- Monitoring of initiatives undertaken to support achievement of the Millennium Development Goals would be worthwhile in the context of assessing the contributions made to the achievement of the Goals. The reporting mechanism put together by the National Economic and Development Authority and the Department of Budget and Management to monitor the physical and financial accomplishments of the Government needs to be improved. It would also be meaningful to create a system for monitoring the efforts of civil society organizations and the business sector.

- Advocacy activities need to be strengthened, as new and innovative ways of informing local government units about the Millennium Development Goals and their crucial role in its achievement are needed. Tools and programmes developed for localizing the Goals need to be further disseminated so as to encourage those units to take advantage of such instruments.

- Building on lessons learned from Millennium Development Goals localization, the post-2015 localization should be implemented simultaneously across all local government units. Support and capacity-building should be provided to poorer units and weaker units in terms of capacity.

- Transparency in local governance: the political buy-in of local chief executives represents a step in this direction. Transparency in local governance would make local officials more accountable to their constituents in terms of implementing their development agenda.

- Promoting inclusive growth is vital to ensuring that the poorest and most vulnerable will be given the assistance necessary to help them improve their living conditions. Resources should therefore be channelled to underserved areas and allocated to help the most vulnerable segments of the population, such as fisherfolk, farmers, children and indigenous peoples. Given the importance of providing gainful employment opportunities to the most vulnerable, employment generation should be at the core of the poverty reduction strategies.

- The Philippines Development Plan 2011-2016 set out the following major strategic goals for achieving inclusive growth: (a) massive infrastructure development; (b) higher governance standards; (c) human development and human capital formation; (d) direct poverty relief; and (e) employment generation. The collaborative efforts of various stakeholders towards the realization of these strategies should be promoted. Inequality would then be expected to decline as access to development opportunities became equalized across geographical areas and across the income and social spectrum.

- There is a need to work on minimizing the impact of man-made and natural shocks, as these posed challenges to advancing poverty reduction in the country. This calls for the provision of needed adequate safety nets so as to stem the movement of people into poverty.

II. Thematic focus

Formulation of the Philippines sustainable development framework

70. The overarching vision of the Philippines in respect of sustainable development is compressed into the following phrase: "every Filipino living in prosperity, peace, justice and dignity". This aspirational vision encompasses a commitment to ensuring that every Filipino benefits equitably from economic growth, is able to enjoy human rights, realizes his or her full potential in a just, peaceful and cohesive society, and lives in harmony with nature. It is a people-centred vision which encapsulates the collective aspirations of a society that cherishes family and relationships, embraces diversity, upholds human rights, respects nature and values cooperation.

71. This vision will be realized through the elaboration of choices, processes and decisions under the following seven guiding principles, deemed paramount within the context of the Philippines:

1. *Ecological integrity and carrying capacity.* Sustainable development shall acknowledge nature as a finite and vulnerable resource, as well as a common heritage. It shall respect its integrity and limited carrying capacity in the pursuit of economic and human development so as to ensure the perpetuation of its productivity, not only for current, but for future generations.

2. *Strong macroeconomic fundamentals.* Sustainable development shall uphold strong macroeconomic fundamentals, characterized by sound fiscal, monetary and financial environments and a robust external position. Sound fiscal management shall generate the public revenues needed to provide basic

social services for human development and quality infrastructure, both of which exert a pull on investment for capital formation.

3. *Respect for human rights and social equity.* Sustainable development shall be grounded in respect for the inalienable fundamental rights of every person, pursuit of the fulfilment of basic needs, full participation in the life of the community, and fair access to livelihood and resources.

4. *Peace, order and security.* Sustainable development shall ensure the right of all to a peaceful and secure existence by promoting harmonious relationships through sociopolitical stability within the country and territorial integrity among neighbouring countries.

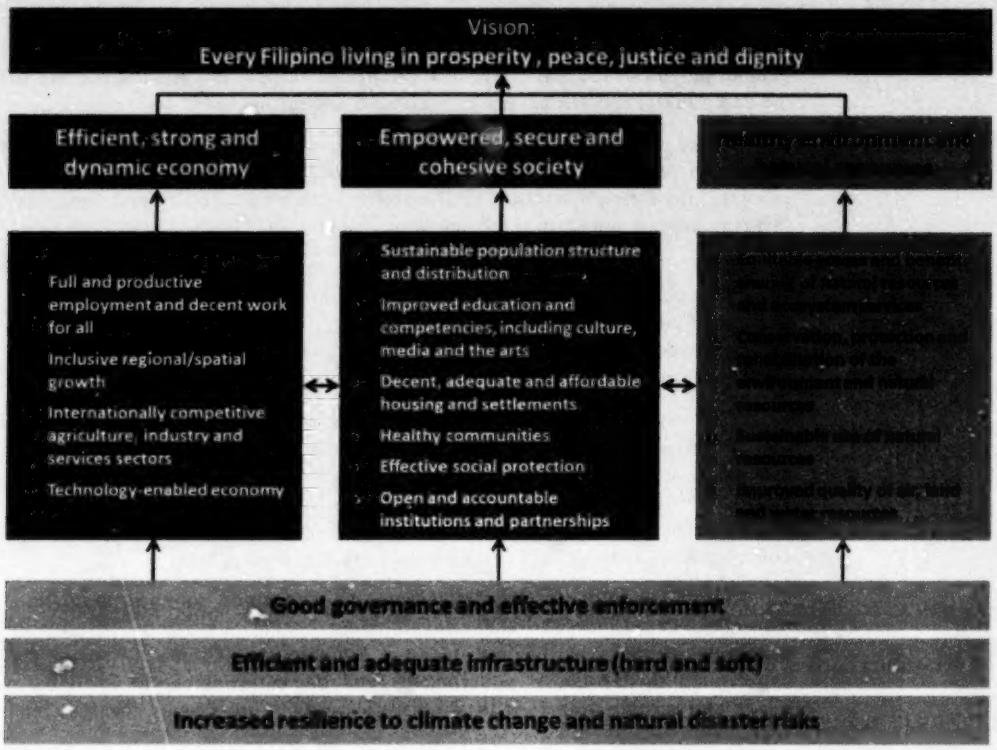
5. *Shared responsibility.* Sustainable development shall be a shared, collective and indivisible responsibility. Institutional structures and processes shall be built around the spirit of solidarity, convergence and partnership between and among key development actors, Governments, businesses, civil society organizations and international development organizations.

6. *Cultural and religious sensitivity.* Sustainable development shall respect the cultural diversity, moral norms and spiritual essence of the various ethnic groups in efforts towards building a cohesive, peaceful and just society grounded in human rights. This is all the more significant as the Philippines is characterized by multiple ethnicities, cultures and religions, with more than 100 ethno-linguistic groups spread throughout the archipelago.

7. *Stable population.* Understanding the dynamics among population, resources, environment and development shall underpin sustainable development policy and action planning. A stable population shall ensure the capacity of the economy, governments and the environment to fulfil basic needs and sustain transformative shifts towards a prosperous, healthy, and sustainable future.

72. Guided by these seven principles, the proposed sustainable development framework is anchored by three national development goals associated with the mutually reinforcing pillars of sustainable development: economic growth, social development and environmental stability. It upholds the integration of environment, social and economic concerns at all levels of the planning and implementation processes for the fulfilment of basic needs, improvement of living standards, and protection of the environment and natural resources for an equitable, prosperous and safe future for all Filipinos.

Figure IV
Proposed sustainable development framework


Vision:
Every Filipino living in prosperity, peace, justice and dignity
Efficient, strong and dynamic economy
Empowered, secure and cohesive society
Full and productive employment and decent work for all
Inclusive regional/spatial growth
Internationally competitive agriculture, industry and services sectors
Technology-enabled economy
Sustainable population structure and distribution
Improved education and competencies, including culture, media and the arts
Decent, adequate and affordable housing and settlements
Healthy communities
Effective social protection
Open and accountable institutions and partnerships
Good governance and effective enforcement
Efficient and adequate infrastructure (hard and soft)
Increased resilience to climate change and natural disaster risks

73. To realize the overarching vision, the following major goals are being pursued:

1. An efficient, strong and dynamic economy, with four major objectives:

(a) Full and productive employment and decent work for all;[12]

(b) Inclusive regional/spatial growth;

(c) Internationally competitive agriculture, industry and services sectors;

(d) A technology-enabled economy.

2. An empowered, secure and cohesive society, with six major objectives:

(a) Sustainable population structure and distribution;

(b) Improved education and competencies, including culture, media and the arts;

(c) Decent, adequate and affordable housing and settlements;

[12] Defined by the International Labour Organization as a level of employment where all those available, able and actively seeking work can obtain it.

(d) Healthy communities;

(e) Effective social protection;

(f) Open and accountable institutions and partnerships.

3. A healthy environment and natural resources, with four objectives:

(a) Equitable access to and benefit sharing of natural resources and ecosystem services;

(b) Conservation, protection and rehabilitation of environment and natural resources;

(c) Sustainable use of natural resources;

(d) Improved quality of air, land and water resources.

74. Critical cross-cutting concerns that reinforce the foundation for the achievement of the three goals include (a) good governance and effective enforcement, (b) efficient and adequate hard and soft infrastructure and (c) increasing resilience to climate change and natural disaster risks.

75. Backstopping all of the components will be an effective monitoring and evaluation system, which was a fundamental omission in the Philippines Agenda 21. The sustainable development framework will chart medium- to long-term strategies for advancing sustainable development into the future while recognizing past shortcomings.

76. To implement the sustainable development framework, a three-phase progressive implementation plan, spanning the 30 years from 2016 to 2046, is proposed, covering short-, medium- and long-term strategies and targets aimed at realizing the vision.

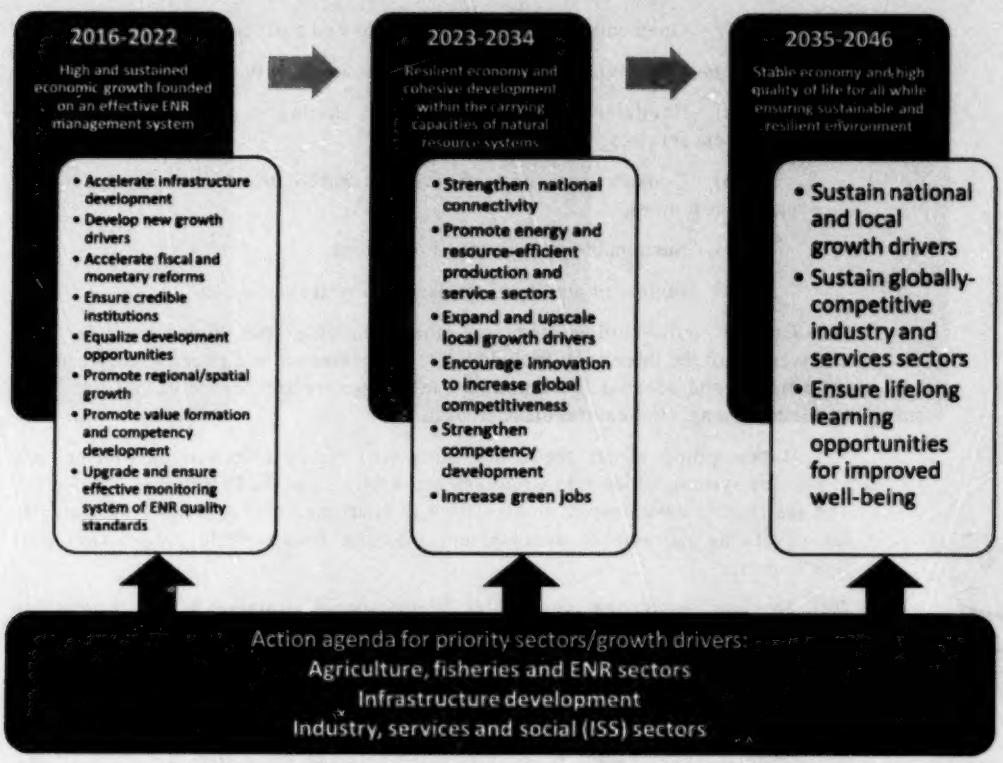
77. The first phase (2016-2022), which will guide the next administration's medium-term development plan, is targeted towards sustaining the gains of the current administration, with an effective environment and natural resources management system in place. Eight strategic directions are identified, as shown in figure V.

78. The second phase (2023-2034) will encompass a move towards a resilient economy with cohesive development, including mindfulness of the carrying capacity of the natural resources system. At least six strategic directions will support this phase, which either expand or strengthen the strategies of the first phase.

79. The third phase (2035-2046) will build on the gains of the previous two phases, including the envisagement of a stable economy which provides a high quality of life for all Filipinos, while ensuring a sustainable and resilient environment.

80. It is to be noted, however, that the strategies identified in the three stages are still indicative until such time as the development scenario in this period is identified, taking into consideration existing policies; programmes, activities and projects; and resources. An action agenda per sector will also be developed, taking into consideration existing thematic and spatial plans, policies, programmes and projects, and guided by the development scenario.

Figure V
Proposed implementation phases and strategies


2016-2022
High and sustained economic growth founded on an effective ENR management system
• Accelerate infrastructure development
• Develop new growth drivers
• Accelerate fiscal and monetary reforms
• Ensure credible institutions
• Equalize development opportunities
• Promote regional/spatial growth
• Promote value formation and competency development
• Upgrade and ensure effective monitoring system of ENR quality standards
2023-2034
Resilient economy and cohesive development within the carrying capacities of natural resource systems
• Strengthen national connectivity
• Promote energy and resource-efficient production and service sectors
• Expand and upscale local growth drivers
• Encourage innovation to increase global competitiveness
• Strengthen competency development
• Increase green jobs
2035-2046
Stable economy and high quality of life for all while ensuring sustainable and resilient environment
• Sustain national and local growth drivers
• Sustain globally-competitive industry and services sectors
• Ensure lifelong learning opportunities for improved well-being
Action agenda for priority sectors/growth drivers:
Agriculture, fisheries and ENR sectors
Infrastructure development
Industry, services and social (ISS) sectors

81. The sustainable development framework and its various components will be enriched through consultations with key stakeholders at various stages. It shall necessarily evolve over time so as to incorporate new acquired knowledge, emerging realities and evolving challenges. The objectives and strategic priorities will be further amplified or refined, as the sustainable development framework undergoes multisectoral validation across the country, as warranted by the results of future monitoring and evaluation.

82. The approval of the sustainable development framework shall be followed by the formulation of a detailed action plan, which is to be broad-based, invoking the sustainable development principle of multi-stakeholder participation and consensus-building. The development goals, priority objectives and strategic initiatives under the sustainable development framework will become the bases for the identification of targets and indicators during the action-planning phase. The targets will have clear-cut time-horizons, with measureable indicators to ensure accountability of results. Because of the long-term time frame, key milestones will be established at specific periods to indicate progress in realizing the sustainable development vision.